

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Sub:-Internal Audit – Internal Audit Wing at Secretariat level in Finance Department-
Audit of certain key Departments – Certain instructions – Orders issued.

FINANCE (ADMN.IV) DEPARTMENT

G.O.Ms.No. 5

Dated.06 .01.2009

Read the following

1. G.O.Ms.No.7, Finance (PMU) Department, dt.08.10.2002.
2. G.O.Ms.No.478, Finance (Internal Audit) Department, dt.10.11.2003.
3. G.O.Ms.No.479, Finance (Internal Audit) Department, dt.10.11.2003.
4. G.O.Ms.No.557, Finance (Internal Audit) Department, dt.14.7.2004
5. Govt.Memo.No.18675/174/Admn.IV/2008, dated. 06.12.2008, of Finance Department.
6. Minutes of Meeting held on 27.12.2008 in the Chambers of Secretary to Government (FP) with DTA and DSA.

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Orders:

In pursuance of the orders issued in the reference 1st read above the Centre for Good Governance (CGG) has taken up a study of State Financial Accountability Assessment (SFAA) under related action programme. Consequently, among others they have recommended strengthening of Internal Audit as a mechanism for monitoring and evolutions of Internal controls duly setting up Internal Audit functions throughout key departments. Accordingly, orders issued in reference 2nd read above constituting State Level Internal Audit Committee Chaired by Principal Finance Secretary and District Level Internal Audit Committees were also constituted with District Collector as Chairman.

In continuation of above, orders an Internal Audit wing at Secretariat Level in Finance Department has been created in the reference 3rd above with a) one Joint Secretary/ Deputy Secretary in Finance Department from the existing cadre, b) three Deputy Directors/ Assistant Directors from Treasury/ PAO (Work Accounts)/ State Audit .c) one section with one S.O., two ASO's, four D.P.O's (Out Sourcing). In the reference 4th read above, orders were issued for renaming the existing Central Checking Divisions

as Internal Audit Cells in the District Treasuries. In the reference 5th read above instructions were issued to (start the work of) Internal Audit with immediate effect.

In pursuance of the review of the Internal Audit subject and based on the Minutes of the Meeting 6th read above the following orders are issued:

1. The Director of Treasuries and Accounts shall a list of 24 employees to attend the work of Internal Audit from time to time. The employees attending the Internal Audit work belong to the departments in which they are working at present for all practical purposes. They will draw salaries there only and their S.R.and other particulars and details will be maintained there itself. They will only attended the Internal Audit work as per the programme proposed by the Incharge of Internal Audit, and finalized by the Secretary to Government (FP) and as per the instructions issued from time to time in this regard. They will be responsible and report to their Audit Team Leader and in turn the Audit Team Leader will report to the Incharge of Internal Audit. The DSA will report to Secretary to Govt.(FP).once a week. The Desk Officer and Admn.IV. Section shall co-ordinate the work as per the orders of Secretary (FP).
2. The scope of Internal Audit now to be taken up shall be broadly as per the procedure, guidelines and terms of reference contained in the Internal Audit Manual namely, **“Internal Audit Guidance Document for the Departments of Government of Andhra Pradesh”**.
3. A flat structure with Internal Audit Team will control Internal Audit of Departments. The Incharge of Internal Audit shall from 4 Audit Parties headed by the 4 officers now present in the Internal Audit wing of Secretariat. Each Audit Party contains two groups with 3 members each. The members in the groups are responsible and accountable to their Audit Party Leader for the work entrusted to them. They have to work under the Guidance / Instructions of the Audit Party Team Leader (APTL). All the APTLs are responsible / accountable to the Incharge of Internal Audit to complete the work entrusted to them within the time frame and to reach the targets. The Incharge of

Internal Audit shall report to the Secretary to Government (FP) periodically i.e. once in a week.

4. The Incharge of Internal Audit shall initially get the members trained (either in HRD Institute or otherwise) for a short period and then allot work and prescribe the targets and time limit and monitor the work by reviewing the progress periodically either in person or over phone. He shall take all steps for the effective implementation of Internal Audit.
5. In the first phase the audit of the following four departments will be done:
 - a. Social Welfare Department
 - b. Tribal Welfare Department
 - c. Rural Development Department
 - d. Medical and Heath Department.
6. Tour programme and details of the members of the Audit party shall be issued separately from time to time.

The Director of Treasuries and Accounts and Director of State Audit shall take further action in the matter.

((BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH))

**Dr. SAMEER SHARMA,
SECRETARY TO GOVERNMENT (FP)**

To
The Director of Treasuries and Accounts, A.P., Hyderabad.
The Director of State Audit, A.P., Hyderabad.
The Pay and Accounts Officer, Hyderabad
The Accountant General , A.P.,Hyderabad.

Copy to:

All secretariat Department
Fin.(OP.I) Department
Fin.(OP.II) Department
Fin.(BG) Department.

//FORWARDED BY ORDER//

SECTION OFFICER